REMARKS

Please reconsider the present application in view of the above amendments and the following remarks. Applicant thanks the Examiner for carefully considering the present application.

I. Disposition of Claims

Claims 1-12 are currently pending in the present application. By way of this reply, claim 1 has been amended and claims 7-9 have been canceled without prejudice or disclaimer.

II. Claim Amendments

Independent claim 1 has been amended to remove the limitation that "a data memory" has "at least one indicator element." Further, independent claim 1 has been amended to recite that "the data memory comprises at least two indicator elements residing at non-contiguous locations within the data memory, said indicator elements being associated with said counter element." No new matter has been added by way of these amendments as support for these amendments may be found, for example, on page 7, lines 11 – 22 and in Figure 5 of the present application.

III. Amendments to the Specification

The first paragraph in the "Summary" section of the Specification has been amended to be consistent with amended independent claim 1. No new matter has been added by way of these amendments.

IV. Rejection(s) Under 35 U.S.C § 102

Claims 1-12 were rejected under 35 U.S.C. § 102(b) as being anticipated by U.S. Patent No. 5,640,003 issued to Makino (hereinafter "Makino"). For the reasons set forth below, this rejection is respectfully traversed.

The present invention is directed to an integrated circuit device having improved security features that, for example, restrict the amount of forgery actions that can be performed on the integrated circuit. *See* Specification, page 7, lines 22 – 32. With reference to Figure 5 of the present application, a data memory **14** of an integrated circuit device has (1) a counter element **CPT1**, **CPT2** for monitoring and counting a particular event (*see* Specification, page 4, lines 17 – 19) and (2) a threshold value **VS1**, **VS2** that is indicative of an unlikely number of occurrences of the particular event when the integrated circuit device is normally used (*see* Specification, page 4, lines 31 – 34). If the integrated circuit device experiences abnormal activity of the particular event due to fraudulent usage, a reaching of the threshold value **VS1**, **VS2** will cause the integrated circuit device to at least partially restrict its use. *See* Specification, page 5, lines 17 – 27.

To achieve such at least partial restriction of use, the integrated circuit device uses at least two indicator elements **I1**, **I'1**, which are operatively connected to one or more counter elements **CPT1**, **CPT2**, that change from a first state to a second state when one

or more of the counter elements **CPT1**, **CPT2** reaches the threshold value **VS1**, **VS2**. *See* Specification, page 7, lines 17 – 22. Further, the indicator elements **I1**, **I'1** reside at non-contiguous locations in the data memory **14** so as to lessen the possibility of misappropriation by one or more entities attempting to locate and alter both indicator elements **I1**, **I'1**. *See* Specification, page 7, lines 22 – 27. Accordingly, amended claim 1 of the present invention requires, in part, that the data memory comprise at least two indicator elements that (1) are associated with the counter element of the data memory and (2) reside at non-contiguous locations within the data memory.

In contrast, Makino fails to disclose the arrangement recited in amended independent claim 1 of the present application. Instead, Makino is directed to an integrated circuit card that is designed to (1) transmit identification data to an inquiring unit when it is determined that a field intensity of a signal received by the integrated circuit card exceeds a preset threshold value and (2) stop transmitting the identification data when a counter that counts the number of times that the identification data has been transmitted reaches a preset value. *See* Makino, Abstract. The integrated circuit card of Makino is designed to address Makino's concern that interference may occur when a plurality of integrated circuit cards are within the vicinity of the inquiring unit. *See* Makino, column 1, lines 53 – 57. Thus, according to Makino, by using an integrated circuit card that, in response to a predetermined condition, transmits identification data to an inquiring unit a predetermined amount of times regardless of the presence of other integrated circuit cards, concerns of interference may be mitigated. *See* Makino, column 2, lines 10 – 18.

Unlike the present invention, Makino is not at all concerned with preventing an

entity from locating and altering elements within the integrated circuit card. This partly follows from Makino's failure to disclose, or otherwise teach, a plurality of indicator elements associated with a counter element and residing at non-contiguous locations within a data memory as required by amended independent claim 1 of the present application. Accordingly, Makino fails to disclose all the limitations of amended independent claim 1 of the present application.

In view of the above, Makino fails at least to show or suggest the present invention as recited in amended independent claim 1 of the present application. Thus, amended independent claim 1 is patentable over Makino. Dependent claims are allowable for at least the same reasons. Accordingly, withdrawal of this rejection is respectfully requested.

V. Conclusion

Applicant believes this reply to be fully responsive to all outstanding issues and places this application in condition for allowance. If this belief is incorrect, or other issues arise, do not hesitate to contact the undersigned or his associates at the telephone number listed below. Please apply any charges not covered, or any credits, to Deposit Account 50-0591 (Reference Number 09669.002001; 76.0538-US).

Respectfully submitted,

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